

**STATE OF MICHIGAN**  
**DEPARTMENT OF LABOR & ECONOMIC GROWTH**  
**OFFICE OF FINANCIAL AND INSURANCE REGULATION**  
**Before the Commissioner of Financial and Insurance Regulation**

In the matter of

XXXXX

Petitioner

File No. 88365-001

v

Physicians Health Plan of Mid-Michigan  
Respondent

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Issued and entered  
This 27<sup>th</sup> day of May 2008  
by Ken Ross  
Commissioner

**ORDER**

**I**

**PROCEDURAL BACKGROUND**

On March 7, 2008, XXXXX, (Petitioner) filed a request for external review with the Commissioner of Financial and Insurance Regulation under the Patient's Right to Independent Review Act, MCL 550.1901 *et seq.* On March 14, 2008, the Commissioner accepted the request.

The issue in this external review can be decided by a contractual analysis. The contract involved here is the "PHP Plus" certificate of coverage (Certificate) issued by Physicians Health Plan of Mid-Michigan (PHPMM). The Commissioner reviews contractual issues under MCL 500.1911(7). This matter does not require a medical opinion from an independent review organization.

**II**

**FACTUAL BACKGROUND**

In March and April 2007, the Petitioner received chiropractic services at XXXXX XXXXX in XXXXX. XXXXX is not in PHPMM's network. PHPMM denied coverage. The Petitioner appealed and completed PHPMM's internal grievance process. PHPMM issued its final adverse

determination on December 21, 2007.

### **III ISSUE**

Did PHPMM properly deny coverage for the Petitioner's chiropractic services received from a provider outside the PHPMM network?

### **IV ANALYSIS**

#### **Petitioner's Argument**

The Petitioner says that XXXXX is affiliated with PHPMM because XXXXX is in the PPOM network. Petitioner argues that, because XXXXX is in the PPOM network, her treatment there should be covered by PHPMM and paid at the "in network" level. She says that her PHPMM insurance card displays the PPOM logo and her chiropractor is a part of the PPOM network. She thinks PHPMM might have changed its network without alerting its members and providers to the change. The Petitioner argues that coverage should be at the in-network level because XXXXX is in the PPOM network.

#### **Respondent's Argument**

In its final adverse determination, PHPMM denied the Petitioner's appeal "because XXXXX does not participate with Physicians Health Plan of Mid-Michigan (PHPMM) and chiropractic services are available within the PHPMM network."

In support of its decision, PHPMM cited the following provisions in the Certificate:

#### **Section 1: What's Covered -- Benefits**

##### **Accessing Benefits**

To obtain benefits, Covered Health Services must be provided by a Network Physician or other Network provider in the Physician's office or at a Network facility.

PHPMM says the services the Petitioner needs are available in-network, and therefore, based on the language in the certificate, the chiropractic services from XXXXX or any other out-of-network chiropractor are not covered.

Commissioner's Review

PHPMM does not provide coverage for non-network treatment when in-network providers are available. PHPMM has shown that it has in-network chiropractors. While there are no network chiropractors in the county where Petitioner resides (XXXXX) there are 35 PHPMM network chiropractors in the five counties surrounding XXXXX County and an even larger number in PHPMM's service area.

Petitioner has asserted that her chiropractor is a network provider because he is a part of the PPOM network. PPOM is a network of health care providers. PHPMM is a health maintenance organization that utilizes the PPOM provider network for billing purposes when one of its insureds receives treatment from a provider outside PHPMM's geographic service area. In such cases, PHPMM provides out-of-network coverage but uses PPOM for billing purposes so members are not required to pay providers directly at the time of service.

XXXXX is a member of PPOM's network. However, that does not establish that XXXXX a part of the PHPMM network. The in-network coverage that Petitioner seeks is not available because XXXXX, is not in PHPMM's provider network. It is true that the PPOM logo appears on Petitioner's insurance card. However there is no other information on that card that would indicate that PPOM providers would be treated as in-network PHPMM providers. The logo simply appears on the card just below a notice which states "Available networks for authorized, urgent or emergent care when outside our primary network service area." This notice indicates that PPOM is only available for certain categories of care received outside a member's service area.

While the care was received outside PHPMM's service area, the care was not authorized, urgent, nor emergent. The Commissioner finds that PHPMM's determination of benefits was appropriate and is not required to cover Petitioner's treatment from XXXXX at the in-network level.

**V  
ORDER**

The Commissioner upholds PHPMM's final adverse determination of December 21, 2007. PHP is not required to provide network coverage for the Petitioner's chiropractic treatment at the XXXXX.

This is a final decision of an administrative agency. Under MCL 550.1915, any person aggrieved by this Order may seek judicial review no later than sixty days from the date of this Order in the Circuit Court for the county where the covered person resides or in the Circuit Court of Ingham County. A copy of the petition for judicial review should be sent to the Commissioner of the Office of Financial and Insurance Services, Health Plans Division, Post Office Box 30220, Lansing, MI 48909-7720.

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Ken Ross  
Commissioner